

REMARKS

Claims 1-50 have been canceled. Claim 51 is new. This new claim is supported throughout the specification, especially at pages 19-20 and 27-33.

Claims 1-50 stand rejected under 35 U.S.C. § 102(e) as anticipated by or unpatentable over U.S. Patent No. 6,804,660, to Landau et al. These rejections are now moot, since claims 1-50 have been canceled.

New claim 51 is patentable over Landau at least because it requires a clearinghouse server in direct communication with said first and second affiliate sites, said clearinghouse server operable to parse HTTP commands data received from said first and second affiliate sites, said HTTP data including an affiliate field comprising one or more subvariables.

The system taught by Landau does not contemplate such a clearinghouse server. Landau requires two separate affiliate systems. Although an Associate server in communication with both CDMerchant.com and MusicMemorabilia.com is taught, the Associate server is not in direct communication with Fred.com, the initial referring site and a member of CDMerchant.com's separate affiliate system. Indeed, Landau teaches that only CDMerchant.com and MusicMemorabilia.com are affiliates of Associate ("Virtual Affiliates"; see column 16, lines 37-51). Moreover, the goal of Landau's system is to allow an affiliate of CDMerchant.com to refer users to affiliates of other systems, without itself having to be an affiliate of those other systems. Thus, Landau teaches away from having a clearinghouse server in direct communication with first and second associates in a chain of referrals.

No fee (other than the extension fee authorized above) is believed due with this Response. However, if any fee is due, please charge that fee to Deposit Account No. 50-0310.

Respectfully submitted,



Steven D. Underwood, Esq.
Registration No. 47,205
MORGAN, LEWIS & BOCKIUS LLP
101 Park Avenue
New York, NY 10178-0060
(212) 309-6000
Customer Number No. 09629

Dated: November 7, 2006